

## Samuel Delucenna Ingham to Andrew Jackson, November 26, 1829, from Correspondence of Andrew Jackson. Edited by John Spencer Bassett.

### SECRETARY INGHAM TO JACKSON.

Washington, November 26, 1829.

*My dear Sir*, I had the pleasure of receiving your note last evening on the subject of the W. India trade. The clause referred to will of course be inserted in the report agreeably to your wishes.

I have been so engaged in examining the fiscal matter preparatory to ascertaining the balance in the Treasury that I have scarce had a moment to spare to think of the banks.

Your views as to promising a future message, are I think perfectly just whatever your purpose may be in that respect; you can select your own time unembarrassed by any commitment, as well or better than if a promise was given. The essential objects of a national bank are, 1. To preserve a sound currency *uniform* throughout the U. S. by which taxes shall be collected as well as levied *uniformly* thro the States. unless such a currency can be substantially maintained the Constitution is violated, and it will be impossible for the Union to be preserved. In a case of great public exigency the people will submit to many grievances; but such a grievance made permanent must dissolve the Union.

2. To enable the Government to transfer its funds at pleasure from one extreme of the Union to another or wherever the public service may require; This is necessary to the daily operations of the Treasury, but most essential in War.

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3. That the Deposits of the Govt. should be safe; The outstanding debts due from state banks nearly all of which have occurred since the restoration of peace, prove that these banks are not safe depositaries. A National institution therefore seems indispensable; The Present Bank boasts that it has performed all these important functions. In the establishment of another, it will be highly important as well for the permanent character of your Admn. as to the nation, that it be equally as serviceable in all respects as the present bank, and not liable to the same objection in some particulars.

There are serious objections to placing the branches in the power of the States: a dissaffected State in time of war of which we have had examples, might frustrate a campaign or sacrifice an Army upon some frivolous pretext for refusing the payt. of the Treasury draft. The issues of paper by the branches to gratify the speculation of the Directors or their friends, might disturb the exchange between the various parts of the country and jeopardize the safety of the deposits. The Principle of responsibility in the head might be destroy'd by the want of Power to control the subordinate parts. It appears to me that a bank founded solely on Govt. Capital must be *a bank of deposit only*. to be safe, its influence should rather be directed to the restraining issues of paper by other banks than be tempted to make large issues of its own.

I have taken the liberty of suggesting these remarks, altho too crude and undigested to be regarded as throwing any material light on the question. The subject is one of great magnitude, and requires the most mature reflection, and I am obliged to acknowledge that I am not prepared to propose even a detailed outline of a plan that wd deserve your attention as it ought. Opinions are so various on the subject of banking operations, and yet it is [so] necessary to compromise with public opinion in all such measures, in order to secure success, that it wd seem proper to reconnoitre the whole ground before any part is occupied. we must be able if possible when called on for a plan to present something like demonstration, that the great objects of the Govt. will be secured; you will excuse I am sure some appearance of solicitude on the subject and attribute it to the only proper

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motive, That the Dept which you have assigned to my charge should be able to sustain with success your admn and that all its and your acts shd be remembered and refered to by posterity as redounding to the happiness and safety and durability of the Republic.

I do apprehend Sir that we have not time to enter safely upon this complicated question. whatever may be said in a Message to congress, will be difficult to change and if it should not prove acceptable to public opinion it will increase instead of diminish the power of the present institution.

excuse this long hasty letter and accept the assurance of the great respect of yours